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S/CT FOR RHONDA SHORE, NEA FOR NEA/ELA, AND NCTC

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SUBJECT: EGYPT: 2006 COUNTRY REPORTS ON TERRORISM

REF: SECSTATE 175925

Egypt

- 11. Egypt is an ally in the Global War on Terrorism. The Egyptian and U.S. Governments maintained close cooperation on a broad range of counter-terrorism and law enforcement issues in 2006 and exchanged information on a variety of terrorism, security, and law enforcement matters during the course of the year. In February 2006, Egypt hosted the second session of the US-Egypt Counter-Terrorism Joint Working Group, and the next meeting of the group will likely be held in early 2007 in Washington.
- 12. Egypt was a victim of domestic terrorism in 2006. On April 24, three suicide bombers detonated their explosive charges in rapid succession at three popular tourist locations in the Sinai resort town of Dahab. The bombers killed 24 people, including six foreigners. At least 87 were injured, among them four Americans and 25 other foreigners. As with the 2005 triple bombing in Sharm el-Sheikh, the attacks seemed to target the Egyptian tourist industry, not Americans or foreigners specifically.
- 13. On April 26, two suicide bombers attacked a vehicle belonging to the Multinational Force and Observers (MFO) in North Sinai, and an Egyptian police vehicle on the same day, but did not kill or injure anyone other than themselves. In the first attack, a suicide bomber wearing a belt bomb threw himself on the hood of an unarmored MFO Chevy Blazer, shattering the windshield. In the second attack, occurring several kilometers away, another man with a belt bomb rode up to an Egyptian police vehicle on a bicycle and blew himself up. The police vehicle was responding to the attack on the MFO vehicle. It is unclear if the primary target was the MFO or local police forces.
- 14. Following these attacks, Egyptian police made major security sweeps of the Sinai region. Police suspect that the group responsible for the Sinai bombings is Al-Tawhid wa al-Jihad ("Unity and Holy War"). The ATAJ is an indigenous group comprised of young Bedouin men. The group has a pro Al-Qa'ida, disaffected Salafist ideology. There are no indications that the group is specifically targeting Americans. Egyptian authorities believe they have arrested or killed most of the ATAJ's leadership and operational planners, but it is likely that there are still members at large in the Sinai. Although ATAJ is the only terrorist group to have committed attacks in Egypt in 2006, the Egyptian government broke up two other alleged terrorist groups in late 2006 one group was reportedly planning attacks in Egypt, while the other was reportedly planning to send foreign fighters to Iraq. Members of both groups were arrested before moving beyond the planning stages for their operations.

- 15. The Egyptian government's active opposition to Islamist terrorism and effective intelligence and security services makes Egypt an unattractive safe haven for terror groups. There is no evidence of active foreign terrorist groups in the country. However, Egypt's northern Sinai region is a haven for the smuggling of arms and explosives into Gaza, and a transit point for Gazan Palestinians. Palestinian officials from Hamas have also carried large amounts of cash across the border. The smuggling of weapons and other contraband through the Sinai into Israel and the Gaza Strip have created criminal networks that may be associated with terror groups in the region. The apparent recent radicalization of some Sinai Bedouin may possibly be linked in part to these smuggling networks and Egyptian efforts to dismantle them.
- 16. In the past three years, Egypt has tightened its terror finance regulations in keeping with relevant UN Security Council Resolutions. Egypt passed strong anti-money laundering legislation in 2002, established a financial intelligence unit in 2003, and ratified the latest UN Convention to Combat Terror Finance in 2005. The government of Egypt also keeps up open, regular lines of communication with U.S. Embassy officials concerning terrorist finance information. Egypt maintained its strengthened airport security measures and security for the Suez Canal, and continued to institute more stringent port security measures.
- 17. The Egyptian judicial system does not allow plea bargaining, and terrorists have historically been prosecuted to the full extent of the law. Terrorism defendants may be tried in military tribunals or emergency courts. In terms of evidence for counter-terrorism cases in the U.S., the judicial system is cooperative in the framework of the Mutual Legal Assistance Treaty. A formal mechanism exists for the United States to request from Egypt evidence which can be used in American courts.
- 18. Many of the Egyptian President's far-reaching powers in the realm of counter-terrorism come from a decades-old Emergency Law, which was renewed by Parliament for two years in 2006. President Mubarak and Prime Minister Ahmed Nazif have both called for new anti-terrorism legislation to replace the Emergency Law, noting that Egypt should follow the example of other countries that have recently passed comprehensive laws to combat terrorism. Such legislation is reportedly currently being drafted by a governmental interagency committee.
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